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a clash with US-UK forces in Zone A.

His most recent diplomatic moves suggest that the military measures are intended to halt implementation of US-UK withdrawal from Zone A and bolster his internal and international position:

1. He probably expects thus to delay implementation of US-UK plan;
2. He has strengthened his position at home where nationalism is strong.

Italian government reaction favorable:

Italian government has announced that decision is another important step to advance problem towards "just and definitive solution."

1. It has publicly stated that decision does not prejudice rights of Italy to entire territory;
2. Premier Pella has promised US-UK ambassadors to do what he can to maintain atmosphere of calm.

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With the exception of the Social Communist and monarchist press, public has responded favorably.

SOVIET POSITION ON TRIESTE

Soviet press reaction to Trieste decision:

Soviet press has printed without comment Washington and Rome Tass despatches stating that Anglo-American decision on Trieste ignores the solution prescribed by the peace treaty.

These despatches note that Italians are not giving up pretensions to all of Trieste territory.

Ambassador Bohlen believes that Soviet failure to print the Belgrade despatch giving Yugoslav reaction represents an effort to avoid appearing to support the Yugoslav position which may coincide with the position USSR may take.

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Communist reaction:

Togliatti, who recently came out in favor of a plebiscite, denounces US and British regard for Italian interests. He warns that "tense situation will be used to tie Italy more closely to the Atlantic imperialist camp."

Satellite propaganda points out the "great consternation" in Italy as well as alleging that the Western powers complied with Italian demands in order to gain Italian acceptance of EDC.

A Cominform broadcast from Prague notes positive aspect of the decision in the promised termination of Anglo-American occupation which will test the sincerity of Italy's "so-called Allies."

Probable Soviet moves

Maintain its position in support of the Italian peace treaty.

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1. Since 1947, the USSR has consistently paid lip service to this plan calling for a free territory of Trieste with a governor appointed by the Security Council.
2. As late as 20 September, Izvestia article maintained that the Italian peace treaty outlines the correct solution.
3. This position enables the Soviet Union to maintain the pose of upholding peace treaties and wartime agreements--regardless of how unworkable they may be in such cases as Trieste.
4. A reported Soviet protest, paralleling that of the Yugoslav government, would raise suspicions in Allied quarters regarding Soviet-Yugoslav relations.

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